



# House of Representatives

General Assembly

**File No. 177**

January Session, 2011

Substitute House Bill No. 6050

*House of Representatives, March 23, 2011*

The Committee on Commerce reported through REP. BERGER of the 73rd Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## **AN ACT CONCERNING THE DEVELOPMENT OF THE CREATIVE ECONOMY.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1       Section 1. (*Effective from passage*) (a) For purposes of this section:
- 2       (1) "Creative economy" (A) includes the cultural goods and services
- 3       produced and distributed by artists, cultural nonprofit organizations,
- 4       and creative individuals and businesses that impact the economy by
- 5       generating jobs and revenue and improving the quality of life, and (B)
- 6       consists of a creative cluster, a creative workforce and a creative
- 7       community;
- 8       (2) "Creative cluster" means a grouping of creative, cultural and
- 9       innovative individuals or enterprises that directly or indirectly
- 10      produce or provide cultural ideas, works or services;
- 11      (3) "Creative workforce" means individuals who are trained in
- 12      specific cultural and artistic skills and drive the success of leading

13 industries that include, but are not limited to, arts and culture; and

14 (4) "Creative community" means a geographic area with a  
15 concentration of creative workers, creative businesses and cultural  
16 organizations.

17 (b) There is established a task force to study the creative economy in  
18 this state. The task force shall (1) perform an economic analysis of the  
19 cultural industries and cultural workforce in this state; (2) examine the  
20 economic force of the cultural sector in this state; (3) analyze methods  
21 by which to brand this state as a leader in the creative economy; (4)  
22 attempt to foster and demonstrate the cultural sector and its ability to  
23 attract economic activity to this state; (5) develop education and career  
24 paths for creative industries; and (6) explore methods by which to  
25 expand the creative workforce and creative economy in order to create  
26 more jobs in this state.

27 (c) The task force shall consist of the following members:

28 (1) One appointed by the speaker of the House of Representatives;

29 (2) One appointed by the president pro tempore of the Senate;

30 (3) One appointed by the majority leader of the House of  
31 Representatives;

32 (4) One appointed by the majority leader of the Senate;

33 (5) One appointed by the minority leader of the House of  
34 Representatives;

35 (6) One appointed by the minority leader of the Senate;

36 (7) The Commissioner of Economic and Community Development,  
37 or the commissioner's designee;

38 (8) The Commissioner of Higher Education, or the commissioner's  
39 designee;

40 (9) The executive director of the Connecticut Commission on  
41 Culture and Tourism, or the executive director's designee;

42 (10) An administrator or faculty member from the arts department  
43 of The University of Connecticut, who shall be appointed by the  
44 Commissioner of Higher Education;

45 (11) An administrator or faculty member from the arts department  
46 of the Connecticut State University System, who shall be appointed by  
47 the Commissioner of Higher Education;

48 (12) An administrator or faculty member from the arts department  
49 of one of the regional community-technical colleges, who shall be  
50 appointed by the Commissioner of Higher Education;

51 (13) An administrator or faculty member from the arts department  
52 of three of the nonprofit independent institutions of higher education  
53 in this state, who shall be appointed by the Commissioner of Higher  
54 Education;

55 (14) Five representatives of the regional arts councils in this state  
56 that are identified as regional arts councils by the Connecticut  
57 Commission on Culture and Tourism, who shall be designated by such  
58 regional arts councils;

59 (15) A representative of the Office of Workforce Competitiveness,  
60 who shall be appointed by the Governor; and

61 (16) A designee of the Labor Commissioner, who has experience in  
62 labor market information.

63 (d) All appointments to the task force shall be made not later than  
64 thirty days after the effective date of this section. Any vacancy shall be  
65 filled by the appointing authority.

66 (e) One chairperson of the task force shall be the Commissioner of  
67 Economic and Community Development. The speaker of the House of  
68 Representatives and the president pro tempore of the Senate shall

69 select the second chairperson of the task force from among the  
70 members of the task force. Such chairpersons shall schedule the first  
71 meeting of the task force, which shall be held not later than sixty days  
72 after the effective date of this section.

73 (f) The administrative staff of the Department of Economic and  
74 Community Development and the Office of Workforce  
75 Competitiveness shall serve as administrative staff of the task force by  
76 means of a reallocation of funding from other agency accounts or  
77 programs. The Department of Economic and Community  
78 Development, by reallocating funding from other agency accounts or  
79 programs, shall be the lead agency for purposes of conducting the  
80 study described in subsection (b) of this section.

81 (g) Not later than February 1, 2012, and annually thereafter, for five  
82 years, the task force shall submit a report on its findings and  
83 recommendations to the joint standing committees of the General  
84 Assembly having cognizance of matters relating to higher education  
85 and employment advancement and commerce, in accordance with the  
86 provisions of section 11-4a of the general statutes. The task force shall  
87 terminate on the date that it submits its final report or February 1,  
88 2017, whichever is later.

89 Sec. 2. Section 32-4e of the general statutes is repealed and the  
90 following is substituted in lieu thereof (*Effective October 1, 2011*):

91 (a) As used in sections 32-4f to 32-4h, inclusive, "economic cluster"  
92 means a grouping of industries linked together through customer,  
93 supplier or other relationships.

94 (b) As used in sections 32-1m, as amended by this act, and 32-1o, as  
95 amended by this act, "creative cluster" means a grouping of creative,  
96 cultural and innovative individuals or enterprises that directly or  
97 indirectly produce or provide cultural ideas, works or services.

98 Sec. 3. Subsection (a) of section 32-1m of the general statutes is  
99 repealed and the following is substituted in lieu thereof (*Effective*

100 *October 1, 2011):*

101 (a) Not later than February 1, 2006, and annually thereafter, the  
102 Commissioner of Economic and Community Development shall  
103 submit a report to the Governor and the General Assembly, in  
104 accordance with the provisions of section 11-4a. Not later than thirty  
105 days after submission of the report to the Governor and the General  
106 Assembly, said commissioner shall post the report on the Department  
107 of Economic and Community Development's web site. Said report  
108 shall include, but not be limited to, the following information with  
109 regard to the activities of the Department of Economic and  
110 Community Development during the preceding state fiscal year:

111 (1) A brief description and assessment of the state's economy during  
112 such year, utilizing the most recent and reasonably available data, and  
113 including:

114 (A) Connecticut employment by industry;

115 (B) Connecticut and national average unemployment;

116 (C) Connecticut gross state product, by industry;

117 (D) Connecticut productivity, by industry, compared to the national  
118 average;

119 (E) Connecticut manufacturing activity;

120 (F) Identification of economic and competitive conditions affecting  
121 Connecticut's industry sectors, problems resulting from these  
122 conditions and state efforts to address the problems;

123 (G) A brief summary of Connecticut's competitiveness as a place for  
124 business, which shall include, but not be limited to, an evaluation of (i)  
125 how the programs and policies of state government affect the state  
126 economy and state business environment, (ii) the ability of the state to  
127 retain and attract businesses, (iii) the steps taken by other states to  
128 improve the competitiveness of such states as places for business, and

129 (iv) programs and policies the state could implement to improve the  
130 competitiveness of the state in order to encourage economic growth;  
131 and

132 (H) Any other economic information that the commissioner deems  
133 appropriate.

134 (2) A statement of the department's economic and community  
135 development objectives, measures of program success and standards  
136 for granting financial and nonfinancial assistance under programs  
137 administered by the department.

138 (3) An analysis of the economic development portfolio of the  
139 department, including:

140 (A) A list of the names, addresses and locations of all recipients of  
141 the department's assistance;

142 (B) The following information concerning each recipient of such  
143 assistance: (i) Business activities, (ii) standard industrial classification  
144 codes or North American industrial classification codes, (iii) number of  
145 full-time jobs and part-time jobs at the time of application, (iv) number  
146 of actual full-time jobs and actual part-time jobs during the preceding  
147 state fiscal year, (v) whether the recipient is a minority or woman-  
148 owned business, (vi) a summary of the terms and conditions for the  
149 assistance, including the type and amount of state financial assistance,  
150 job creation or retention requirements and anticipated wage rates, (vii)  
151 the amount of investments from private and other nonstate sources  
152 that have been leveraged by the assistance, (viii) the extent to which  
153 employees of the recipient participate in health benefit plans offered  
154 by such recipient, (ix) the extent to which the recipient offers unique  
155 economic, social, cultural or aesthetic attributes to the municipality in  
156 which the recipient is located or to the state, and (x) the amount of  
157 state investment;

158 (C) A portfolio analysis, including (i) an analysis of the wages paid  
159 by recipients of financial assistance, (ii) the average portfolio wage,

160 median portfolio wage, highest and lowest portfolio wage, (iii)  
161 portfolio wage data by industry, and (iv) portfolio wage data by  
162 municipality;

163 (D) An investment analysis, including (i) total portfolio value, (ii)  
164 total investment by industry, (iii) portfolio dollar per job average, (iv)  
165 portfolio leverage ratio, and (v) percentage of financial assistance  
166 which was provided to high performance work organizations in the  
167 preceding state fiscal year; and

168 (E) An analysis of the estimated economic effects of the  
169 department's economic development investments on the state's  
170 economy, including (i) contribution to gross state product for the total  
171 economic development portfolio and for any investment activity  
172 occurring in the preceding state fiscal year, (ii) direct and indirect  
173 employment created by the investments for the total portfolio and for  
174 any investment activity occurring in the preceding state fiscal year, (iii)  
175 productivity of recipients of financial assistance as a result of the  
176 department's investment occurring in the preceding state fiscal year,  
177 (iv) directly or indirectly increased property values in the  
178 municipalities in which the recipients of assistance are located, and (v)  
179 personal income.

180 (4) An analysis of the community development portfolio of the  
181 department, including:

182 (A) A list of the names, addresses and locations of all recipients of  
183 the department's assistance;

184 (B) The following information concerning each recipient of such  
185 assistance: (i) Amount of state investment, (ii) a summary of the terms  
186 and conditions for the department's assistance, including the type and  
187 amount of state financial assistance, and (iii) the amount of  
188 investments from private and other nonstate sources that have been  
189 leveraged by such assistance;

190 (C) An investment analysis, including (i) total active portfolio value,

191 (ii) total investments made in the preceding state fiscal year, (iii) total  
192 portfolio by municipality, (iv) total investments made in the preceding  
193 state fiscal year categorized by municipality, (v) total portfolio  
194 leverage ratio, and (vi) leverage ratio of the total investments made in  
195 the preceding state fiscal year; and

196 (D) An analysis of the estimated economic effects of the  
197 department's economic development investments on the state's  
198 economy, including (i) contribution to gross state product for the total  
199 portfolio and for any investment activity occurring in the preceding  
200 state fiscal year, (ii) direct and indirect employment created by the  
201 investments for the total portfolio and for any investment activity  
202 occurring in the preceding state fiscal year, (iii) productivity of  
203 recipients of financial assistance as a result of the department's  
204 investment occurring in the preceding state fiscal year, (iv) directly or  
205 indirectly increased property values in the municipalities in which the  
206 recipients are located, and (v) personal income.

207 (5) A summary of the department's economic and community  
208 development marketing efforts in the preceding state fiscal year, a  
209 summary of the department's business recruitment strategies and  
210 activities in such year, and a summary of the department's efforts to  
211 assist small businesses and minority business enterprises in such year.

212 (6) A summary of the department's international trade efforts in the  
213 preceding state fiscal year, and, to the extent possible, a summary of  
214 foreign direct investment that occurred in the state in such year.

215 (7) Identification of existing economic and creative clusters, as  
216 defined in section 32-4e, as amended by this act, the formation of new  
217 economic and creative clusters, the measures taken by the  
218 commissioner during the preceding state fiscal year to encourage the  
219 growth of economic and creative clusters and the amount of bond  
220 funds expended by the department during the previous fiscal year on  
221 each economic and creative cluster.

222 (8) (A) A summary of the department's brownfield-related efforts

223 and activities within the Office of Brownfield Remediation and  
224 Development established pursuant to subsections (a) to (f), inclusive,  
225 of section 32-9cc in the preceding state fiscal year, except for activity  
226 under the Special Contaminated Property Remediation and Insurance  
227 Fund program. Such efforts shall include, but not be limited to, (i) total  
228 portfolio investment in brownfield remediation projects, (ii) total  
229 investment in brownfield remediation projects in the preceding state  
230 fiscal year, (iii) total number of brownfield remediation projects, (iv)  
231 total number of brownfield remediation projects in the preceding state  
232 fiscal year, (v) total of reclaimed and remediated acreage, (vi) total of  
233 reclaimed and remediated acreage in the preceding state fiscal year,  
234 (vii) leverage ratio for the total portfolio investment in brownfield  
235 remediation projects, and (viii) leverage ratio for the total portfolio  
236 investment in brownfield remediation projects in the preceding state  
237 fiscal year. Such summary shall include a list of such brownfield  
238 remediation projects and, for each such project, the name of the  
239 developer and the location by street address and municipality and a  
240 tracking of all funds administered through or by said office;

241 (B) A summary of the department's efforts with regard to the  
242 Special Contaminated Property Remediation and Insurance Fund,  
243 including, but not limited to, (i) the number of applications received in  
244 the preceding state fiscal year, (ii) the number and amounts of loans  
245 made in such year, (iii) the names of the applicants for such loans, (iv)  
246 the average time period between submission of application and the  
247 decision to grant or deny the loan, (v) a list of the applications  
248 approved and the applications denied and the reasons for such  
249 denials, and (vi) for each project, the location by street address and  
250 municipality; and

251 (C) A summary of the department's efforts with regard to the dry  
252 cleaning grant program, established pursuant to section 12-263m,  
253 including, but not limited to, (i) information as to the number of  
254 applications received, (ii) the number and amounts of grants made  
255 since the inception of the program, (iii) the names of the applicants,  
256 (iv) the time period between submission of application and the

257 decision to grant or deny the loan, (v) which applications were  
258 approved and which applications were denied and the reasons for any  
259 denials, and (vi) a recommendation as to whether the surcharge and  
260 grant program established pursuant to section 12-263m should  
261 continue.

262 (9) The following information concerning enterprise zones  
263 designated under section 32-70:

264 (A) A statement of the current goals for enterprise zones;

265 (B) A statement of the current performance standards to measure  
266 the progress of municipalities that have enterprise zones in attaining  
267 the goals for such zones;

268 (C) A report from each municipality that has an enterprise zone,  
269 which evaluates the progress of the municipality in meeting the  
270 performance standards established under section 32-70a; and

271 (D) An assessment of the performance of each enterprise zone based  
272 on information collected under subparagraph (C) of this subdivision.

273 (10) With regard to the grant program designated pursuant to  
274 sections 32-324a to 32-324e, inclusive, an assessment of program  
275 performance.

276 (11) With regard to the fuel diversification program designated  
277 pursuant to section 32-324g, an assessment of program performance.

278 (12) With regard to the department's housing-development-related  
279 functions and activities:

280 (A) A brief description and assessment of the state's housing market  
281 during the preceding state fiscal year, utilizing the most recent and  
282 reasonably available data, and including, but not limited to, (i) a brief  
283 description of the significant characteristics of such market, including  
284 supply, demand and condition and cost of housing, and (ii) any other  
285 information that the commissioner deems appropriate;

286 (B) A comprehensive assessment of current and future needs for  
287 rental assistance under section 8-119kk for housing projects for the  
288 elderly and disabled, in consultation with the Connecticut Housing  
289 Finance Authority;

290 (C) An analysis of the progress of the public and private sectors  
291 toward meeting housing needs in the state, using building permit data  
292 from the United States Census Bureau and demolition data from  
293 Connecticut municipalities;

294 (D) A list of municipalities that meet the affordable housing criteria  
295 set forth in subsection (k) of section 8-30g, pursuant to regulations that  
296 the Commissioner of Economic and Community Development shall  
297 adopt pursuant to the provisions of chapter 54. For the purpose of  
298 determining the percentage required by subsection (k) of said section  
299 8-30g, the commissioner shall use as the denominator the number of  
300 dwelling units in the municipality, as reported in the most recent  
301 United States decennial census; and

302 (E) A statement of the department's housing development  
303 objectives, measures of program success and standards for granting  
304 financial and nonfinancial assistance under programs administered by  
305 said commissioner.

306 (13) A presentation of the state-funded housing development  
307 portfolio of the department, including:

308 (A) A list of the names, addresses and locations of all recipients of  
309 such assistance; and

310 (B) For each such recipient, (i) a summary of the terms and  
311 conditions for the assistance, including the type and amount of state  
312 financial assistance, (ii) the amount of investments from private and  
313 other nonstate sources that have been leveraged by the assistance, (iii)  
314 the number of new units to be created and the number of units to be  
315 preserved at the time of the application, and (iv) the number of actual  
316 new units created and number of units preserved.

317 (14) An analysis of the state-funded housing development portfolio  
318 of the department, including:

319 (A) An investment analysis, including the (i) total active portfolio  
320 value, (ii) total investment made in the preceding state fiscal year, (iii)  
321 portfolio dollar per new unit created, (iv) estimated dollars per new  
322 unit created for projects receiving an assistance award in the preceding  
323 state fiscal year, (v) portfolio dollars per unit preserved, (vi) estimated  
324 dollar per unit preserved for projects receiving an assistance award in  
325 the preceding state fiscal year, (vii) portfolio leverage ratio, and (viii)  
326 leverage ratio for housing development investments made in the  
327 preceding state fiscal year; and

328 (B) A production and preservation analysis, including (i) the total  
329 number of units created, itemized by municipality, for the total  
330 portfolio and projects receiving an assistance award in the preceding  
331 state fiscal year, (ii) the total number of elderly units created for the  
332 total portfolio and for projects receiving an assistance award in the  
333 preceding state fiscal year, (iii) the total number of family units created  
334 for the total portfolio and for projects receiving an assistance award in  
335 the preceding state fiscal year, (iv) the total number of units preserved,  
336 itemized by municipality, for the total portfolio and projects receiving  
337 an assistance award in the preceding state fiscal year, (v) the total  
338 number of elderly units preserved for the total portfolio and for  
339 projects receiving an assistance award in the preceding state fiscal  
340 year, (vi) the total number of family units preserved for the total  
341 portfolio and for projects receiving an assistance award in the  
342 preceding state fiscal year, (vii) an analysis by income group of  
343 households served by the department's housing construction,  
344 substantial rehabilitation, purchase and rental assistance programs, for  
345 each housing development, if applicable, and for each program,  
346 including number of households served under each program by race  
347 and data for all households, and (viii) a summary of the department's  
348 efforts in promoting fair housing choice and racial and economic  
349 integration, including data on the racial composition of the occupants  
350 and persons on the waiting list of each housing project that is assisted

351 under any housing program established by the general statutes or a  
352 special act or that is supervised by the department, provided no  
353 information shall be required to be disclosed by any occupant or  
354 person on a waiting list for the preparation of such summary. As used  
355 in this subparagraph, "elderly units" means dwelling units for which  
356 occupancy is restricted by age, and "family units" means dwelling  
357 units for which occupancy is not restricted by age.

358 (15) An economic impact analysis of the department's housing  
359 development efforts and activities, including, but not limited to:

360 (A) The contribution of such efforts and activities to the gross state  
361 product;

362 (B) The direct and indirect employment created by the investments  
363 for the total housing development portfolio and for any investment  
364 activity for such portfolio occurring in the preceding state fiscal year;  
365 and

366 (C) Personal income in the state.

367 (16) With regard to the Housing Trust Fund and Housing Trust  
368 Fund program, as those terms are defined in section 8-336m:

369 (A) Activities for the prior fiscal year of the Housing Trust Fund and  
370 the Housing Trust Fund program; and

371 (B) The efforts of the department to obtain private support for the  
372 Housing Trust Fund and the Housing Trust Fund program.

373 (17) With regard to the department's energy conservation loan  
374 program:

375 (A) The number of loans or deferred loans made during the  
376 preceding fiscal year under each component of such program and the  
377 total amount of the loans or deferred loans made during such fiscal  
378 year under each such component;

379 (B) A description of each step of the loan or deferred loan

380 application and review process;

381 (C) The location of each loan or deferred loan application intake site  
382 for such program;

383 (D) The average time period for the processing of loan or deferred  
384 loan applications during such fiscal year; and

385 (E) The total administrative expenses of such program for such  
386 fiscal year.

387 (18) An assessment of the performance of the Connecticut qualified  
388 biodiesel producer incentive account grant program established  
389 pursuant to sections 32-324a to 32-324e, inclusive.

390 (19) An assessment of the performance of the fuel diversification  
391 grant program established pursuant to section 32-324g.

392 (20) A summary of the total social and economic impact of the  
393 department's efforts and activities in the areas of economic,  
394 community and housing development, and an assessment of the  
395 department's performance in terms of meeting its stated goals and  
396 objectives.

397 (21) With regard to the Connecticut Credit Consortium established  
398 pursuant to section 32-9yy, a summary of the activity of such program,  
399 including, but not limited to, the number of loans and lines of credit  
400 applied for and approved, the size of the businesses, the amount of the  
401 loans or lines of credit, and the amount repaid to date.

402 (22) With regard to the office of the permit ombudsman, established  
403 pursuant to section 32-726:

404 (A) The names of applicants for expedited review;

405 (B) The date of request for expedited review;

406 (C) The basis upon which the applicant claimed eligibility for  
407 expedited review;

408 (D) State agencies that participated in the permit review process;

409 (E) The dates on which the permit was granted or denied via the  
410 expedited review process or the date the applicant was determined not  
411 to be eligible for expedited review; and

412 (F) If applicable, the reason the applicant was determined not to be  
413 eligible for the expedited review process.

414 Sec. 4. Subsection (c) of section 32-1o of the general statutes is  
415 repealed and the following is substituted in lieu thereof (*Effective*  
416 *October 1, 2011*):

417 (c) The strategic plan required under this section shall include, but  
418 not be limited to, the following:

419 (1) A review and evaluation of the economy of the state. Such  
420 review and evaluation shall include, but not be limited to, a sectoral  
421 analysis, housing market and housing affordability analysis, labor  
422 market and labor quality analysis, demographic analysis and historic  
423 trend analysis and projections;

424 (2) A review and analysis of factors, issues and forces that impact or  
425 impede economic development and responsible growth in Connecticut  
426 and its constituent regions. Such factors, issues or forces shall include,  
427 but not be limited to, transportation, including, but not limited to,  
428 commuter transit, rail and barge freight, technology transfer,  
429 brownfield remediation and development, health care delivery and  
430 costs, early education, primary education, secondary and  
431 postsecondary education systems and student performance, business  
432 regulation, labor force quality and sustainability, social services costs  
433 and delivery systems, affordable and workforce housing cost and  
434 availability, land use policy, emergency preparedness, taxation,  
435 availability of capital and energy costs and supply;

436 (3) Identification and analysis of economic and creative clusters, as  
437 defined in section 32-4e, as amended by this act, that are growing or  
438 declining within the state;

439 (4) An analysis of targeted industry sectors in the state that (A)  
440 identifies those industry sectors that are of current or future  
441 importance to the growth of the state's economy and to its global  
442 competitive position, (B) identifies what those industry sectors need  
443 for continued growth, and (C) identifies those industry sectors' current  
444 and potential impediments to growth;

445 (5) A review and evaluation of the economic development structure  
446 in the state, including, but not limited to, (A) a review and analysis of  
447 the past and current economic, community and housing development  
448 structures, budgets and policies, efforts and responsibilities of its  
449 constituent parts in Connecticut; and (B) an analysis of the  
450 performance of the current economic, community and housing  
451 development structure, and its individual constituent parts, in meeting  
452 its statutory obligations, responsibilities and mandates and their  
453 impact on economic development and responsible growth in  
454 Connecticut;

455 (6) Establishment and articulation of a vision for Connecticut that  
456 identifies where the state should be in five, ten, fifteen and twenty  
457 years;

458 (7) Establishment of clear and measurable goals and objectives for  
459 the state and regions, to meet the short and long-term goals established  
460 under this section and provide clear steps and strategies to achieve  
461 said goals and objectives, including, but not limited to, the following:  
462 (A) The promotion of economic development and opportunity, (B) the  
463 fostering of effective transportation access and choice including the use  
464 of airports and ports for economic development, (C) enhancement and  
465 protection of the environment, (D) maximization of the effective  
466 development and use of the workforce consistent with applicable state  
467 or local workforce investment strategy, (E) promotion of the use of  
468 technology in economic development, including access to high-speed  
469 telecommunications, and (F) the balance of resources through sound  
470 management of physical development;

471 (8) Prioritization of goals and objectives established under this

472 section;

473 (9) Establishment of relevant measures that clearly identify and  
474 quantify (A) whether a goal and objective is being met at the state,  
475 regional, local and private sector level, and (B) cause and effect  
476 relationships, and provide a clear and replicable measurement  
477 methodology;

478 (10) Recommendations on how the state can best achieve goals  
479 under the strategic plan and provide cost estimates for implementation  
480 of the plan and the projected return on investment for those areas;

481 (11) A review and evaluation of the operation and efficacy of the  
482 urban jobs program established pursuant to sections 32-9i to 32-9l,  
483 inclusive, enterprise zones established pursuant to section 32-70,  
484 railroad depot zones established pursuant to section 32-75a, qualified  
485 manufacturing plants designated pursuant to section 32-75c,  
486 entertainment districts established pursuant to section 32-76 and  
487 enterprise corridor zones established pursuant to section 32-80. The  
488 review and evaluation of enterprise zones shall include an analysis of  
489 enterprise zones that have been expanded to include an area in a  
490 contiguous municipality or in which there are base or plant closures;  
491 and

492 (12) Any other responsible growth information that the  
493 commissioner deems appropriate.

494 Sec. 5. Subsection (a) of section 4-124z of the general statutes is  
495 repealed and the following is substituted in lieu thereof (*Effective*  
496 *October 1, 2011*):

497 (a) The Office of Workforce Competitiveness, the Labor  
498 Commissioner, the Commissioners of Economic and Community  
499 Development, Education and Social Services, the Secretary of the  
500 Office of Policy and Management and the Chancellor of the regional  
501 community-technical colleges, in consultation with the superintendent  
502 of the vocational-technical school system and one member of industry

503 representing each of the economic and creative clusters identified by  
 504 the Commissioner of Economic and Community Development  
 505 pursuant to section 32-1m, as amended by this act, shall (1) review,  
 506 evaluate and, as necessary, recommend improvements for certification  
 507 and degree programs offered by the vocational-technical school system  
 508 and the community-technical college system to ensure that such  
 509 programs meet the employment needs of business and industry, and  
 510 (2) develop strategies to strengthen the linkage between skill standards  
 511 for education and training and the employment needs of business and  
 512 industry.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>October 1, 2011</i>	32-4e
Sec. 3	<i>October 1, 2011</i>	32-1m(a)
Sec. 4	<i>October 1, 2011</i>	32-1o(c)
Sec. 5	<i>October 1, 2011</i>	4-124z(a)

**Statement of Legislative Commissioners:**

For the purpose of clarity "such" in the second sentence of subsection (g) of section 1 was changed to "its final".

**HED**      *Joint Favorable C/R*

CE

**CE**      *Joint Favorable Subst.-LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

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### **OFA Fiscal Note**

#### **State Impact:**

<b>Agency Affected</b>	<b>Fund-Effect</b>	<b>FY 12 \$</b>	<b>FY 13 \$</b>
Department of Economic & Community Development	GF - Cost	52,787	57,844
Comptroller Misc. Accounts (Unemployment Benefits)	GF - Cost	978	1,365
Legislative Mgmt.	GF - Cost	Less than \$5,000	Less than \$5,000

Note: GF=General Fund

**Municipal Impact:** None

#### **Explanation**

The bill, which establishes a task force to study the creative economy and requires the Department of Economic and Community Development (DECD) to provide staff to the task force and perform an economic analysis of the cultural industries and workforce in the state, will result in costs. DECD will incur costs of \$40,000 for a REMI economic analysis and costs of \$12,787 in FY 11 and \$17,844 in FY 12, plus fringe<sup>1</sup> benefits, for a Community Development Specialist (AR-26) working ten hours per week, to serve as staff for the task force.

The bill permits members of the General Assembly to participate on the task force. The Office of Legislative Management would incur minimal costs, estimated to be less than \$5,000, associated with mileage reimbursement of 51 cents per mile for legislators

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<sup>1</sup> Employees working less than 10 hours a week are not eligible for most fringe benefits. The state must contribute 7.65% for FICA (Federal Insurance Compensation Act) for such employees.

participating on the task force.

***The Out Years***

The costs associated with the task force, including the Community Development Specialist salary and fringes and the estimated mileage reimbursements, will end when the task force submits its report or February 1, 2017, whichever is later. The \$40,000 cost for the REMI economic analysis will continue subject to inflation.

**OLR Bill Analysis****sHB 6050*****AN ACT CONCERNING THE DEVELOPMENT OF THE CREATIVE ECONOMY.*****SUMMARY:**

This bill establishes a 22-member task force to study Connecticut's creative economy and, for five years beginning by February 1, 2012, annually report its findings and recommendations. A "creative economy" consists of a creative cluster, workforce, and community in which artists, cultural non-profits, and creative individuals and businesses, among others, produce and distribute cultural goods and services that generate jobs and revenue and improve the quality of life.

The bill also requires the Department of Economic and Community Development (DECD) to identify and analyze "creative clusters" in both its annual report and the state's economic strategic plan, which is submitted every five years. A "creative cluster" is a grouping of creative, cultural, and innovative individuals or enterprises that directly or indirectly produce or provide cultural ideas, works, or services.

Lastly, the bill specifies that representatives from creative clusters are to make recommendations for certain curricular changes in the state's vocational-technical (V-T) schools and the community-technical colleges (CTC).

EFFECTIVE DATE: October 1, 2011, except the formation of the task force is effective upon passage.

**CREATIVE ECONOMY TASK FORCE**

The bill requires the 22-member task force to study Connecticut's creative economy, which includes a creative cluster, workforce, and

community. A “creative workforce” is one made up of individuals trained in specific cultural and artistic skills that drive the success of leading industries, including arts and culture. A “creative community” is a geographic area with a concentration of creative workers, businesses, and organizations.

***Task Force Membership***

The top six legislative leaders must each appoint one task force member. The remaining members are:

1. the higher education and DECD commissioners, or their designees;
2. the Connecticut Commission on Culture and Tourism executive director, or a designee;
3. an administrator or faculty member from the arts departments at (a) UConn, (b) the Connecticut State University System, (c) the community colleges, and (d) three independent colleges and universities, appointed by the higher education commissioner for a total of six members;
4. five representatives from the regional arts councils in the state, selected by the councils;
5. a representative from the Office of Workforce Competitiveness (OWC), appointed by the governor; and
6. a designee of the labor commissioner who has experience in labor market information.

The appointing authorities must make their appointments within 30 days after the bill’s passage and fill any vacancies. The DECD commissioner and another individual, whom the House speaker and the Senate president pro tempore select from among the task force members, must co-chair the task force. The co-chairpersons must schedule its first meeting within 60 days after the bill’s passage.

**Reporting Requirements**

The task force must:

1. perform an economic analysis of Connecticut's cultural industries and workforce,
2. examine the economic force of the state's cultural sector,
3. analyze how to brand the state as a leader in the creative economy,
4. foster and "demonstrate the cultural sector" and its ability to attract economic activity to the state,
5. develop education and career paths for creative industries, and
6. explore methods for expanding the creative workforce and creative economy in order to create more jobs in the state.

DECD is the lead agency for purposes of conducting the study and must use existing appropriations to fulfill its responsibilities. The bill requires DECD and OWC to provide administrative staff for the task force and to reallocate funds from other agency accounts or programs for this purpose. The task force must annually report its findings and recommendations to the Higher Education and Employment Advancement and Commerce committees. It terminates on the date it submits its final report or February 1, 2017, whichever is later.

**RECOMMENDATIONS FOR CURRICULAR IMPROVEMENTS**

The bill requires the OWC and various officials to consult with one industry member from each creative cluster in (1) reviewing, evaluating, and recommending improvements for certificate and degree programs at the V-T schools and the CTC to make sure they meet business and industry's employment needs and (2) developing ways to strengthen ties between skill standards for education and training and business and industry's employment needs.

The officials are the (1) Labor, DECD, Education, and Social Services

commissioners; (2) Office of Policy and Management secretary; and (3) CTC chancellor. Under existing law, they and the OWC must consult with the superintendent of the V-T school system and with one member of industry from each “economic cluster.” They must report annually to various legislative committees on (1) the CTCs’ and V-T schools’ implementation of any recommended programs or strategies to strengthen the linkage between their certificate and degree programs and business and industry’s employment needs and (2) any V-T school or CTC certificate or degree program that does not meet current industry standards.

**COMMITTEE ACTION**

## Higher Education and Employment Advancement Committee

Joint Favorable Change of Reference

Yea 17      Nay 0      (02/22/2011)

## Commerce Committee

Joint Favorable

Yea 11      Nay 6      (03/08/2011)